# BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA DOCKET NO. 2021-\_\_\_-C

Application of	)	
CenturyTel Broadband Services, LLC	)	
for a Certificate of Public Convenience	)	APPLICATION
and Necessity to Provide Competing	j	THI LICITION
Local Exchange, Exchange Access and Interexchange Telecommunications Service	)	
in the State of South Carolina. and for	)	
Alternative and Flexible Regulation	)	

CenturyTel Broadband Services, LLC ("CTBS" or "Applicant"), by undersigned counsel and pursuant to South Carolina Code § 58-9-280 and § 58-9-310, and the rules and regulations of the Public Service Commission of South Carolina ("Commission"), hereby request the issuance of a Certificate of Public Convenience and Necessity ("CPCN") to Applicant to provide facilities-based and resold local exchange (including exchange access) and interexchange telecommunications services throughout the State of South Carolina.

Further, pursuant to S.C. Code §58-9-585 and the general regulatory authority of the Commission, Applicant also requests that the Commission regulate its interexchange service offerings as described below in accordance with the principles and procedures established for alternative regulation in Commission Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, and as modified by Commission Order No. 2001-997 in Docket No. 2000-407-C. Applicant also requests flexible regulation for its local exchange telecommunications services in accordance with procedures authorized in Order No. 98-165 in Docket No. 97-467-C.

Applicant submits the following information in support of its Application:

## I. INTRODUCTION

## A. The full name, address, and contact information for Applicant:

CenturyTel Broadband Services, LLC 100 CenturyLink Drive Monroe, LA 71203 866-476-9909 www.lumen.com

Contact person and address at Applicant is:

Jeanne W. Stockman Associate General Counsel 100 Parkman Grant Drive Cary, NC 27519 984-237-1330 Jeanne.w.stockman@lumen.com

## B. <u>Correspondence concerning this Application should be directed to:</u>

Jeanne W. Stockman Associate General Counsel 100 Parkman Grant Drive Cary, NC 27519 984-237-1330 Jeanne.w.stockman@lumen.com

And

Scott Elliott Elliott & Elliott, PA 1508 Lady Street Columbia, SC 29201 803-771-0555 selliott@elliottlaw.us

# C. <u>In support of this Application, the following exhibits are attached hereto:</u>

Exhibit A - Formation Documents

Exhibit B - Certificate of Authority

Exhibit C - Proposed Tariffs

## II. DESCRIPTION OF THE APPLICANT

#### A. General Information

Applicant is a wholly owned subsidiary of Lumen Technologies, Inc. ("Lumen").

Lumen also owns United Telephone Company of the Carolinas, LLC d/b/a CenturyLink

("United"), which operates as an incumbent local exchange carrier ("ILEC") in portions of South

Carolina. Lumen has entered into a transaction whereby Connect Holding, LLC will acquire all

of Lumen's ILEC subsidiaries and their assets in 20 states, including United in South Carolina.¹

Connect Holding will also acquire control of CTBS on closing of the proposed transaction. By

separate filing, Lumen and Connect Holding, LLC are providing notice of the proposed

transaction to the Commission. Copies of Applicant's formation documents are attached as

Exhibit A. A copy of Applicant's Certificate of Authority to transact business in South Carolina

is attached hereto as Exhibit B.

# B. <u>Description of Proposed Services</u>

Applicant, CTBS, seeks certificates of public convenience to operate as a Competing Local Exchange Carrier ("CLEC") and as an Interexchange Carrier ("IXC") for the provision of these services throughout South Carolina. CTBS, either through its own facilities or through facilities and services of another carrier/affiliate, will offer a complete range of competitive local exchange and interexchange services. CTBS initially plans to operate as a reseller and will enter into any necessary agreement(s) for this purpose. Ultimately, Applicant may build a network in areas outside the territory of its South Carolina ILEC affiliate, United. Thus, Applicant requests reseller and facilities-based authorization in this Application. Applicant's proposed tariffs, setting forth

https://www.reuters.com/business/media-telecom/telecom-firm-lumen-sell-some-us-business-75-bln-deal-2021-08-03/

the terms, conditions, rates, charges, and regulations pursuant to which Applicant proposes to provide regulated telecommunications service, is provided as **Exhibit C**.

### C. Customer Service

Applicant's planned service offerings will meet or exceed the Commission's quality of service requirements. In addition, connectivity of Applicant's network will not impair the statewide public switched network. Applicant will perform network and equipment maintenance necessary to ensure compliance with any quality of service requirements and will comply with all applicable Commission rules, regulations and standards and will provide safe, reliable, and high-quality telecommunications services within South Carolina. Customers with complaints or inquiries should contact the Applicant's Customer Support Center at:

CenturyTel Broadband Services, LLC 100 CenturyLink Drive Monroe, LA 71203 https://www.centurylink.com/home/help/contact.html 866-476-9909 (tollfree for customer service and repair)

The contacts for resolution of customer complaints with the Commission is:

Derek Kelly Government Affairs Director 919-554-7720 derek.t. kelly@lumen.com

and

Ted M. Hankins Government Operations Director 318-388-9416 ted.hankins@lumen.com

## D. <u>Technical, Managerial, and Financial Qualifications</u>

Applicant possesses the requisite technical, managerial, and financial capabilities to operate as a competitive telecommunications provider as described in further detail below.

Applicant is managerially and technically qualified to provide competitive local exchange and

competitive intrastate telecommunications services in South Carolina. Applicant's operations will be directed by its existing corporate management, technical, and operations staffs responsible for the telecommunications operations of Applicant and its affiliates, including its parent, Lumen. Given that CTBS and Lumen share the same management team, CTBS's customers will benefit from that team's knowledge and experience in the South Carolina market. The Directors of CTBS are Jeffrey K. Storey and Andrea L. Genschaw. Biographies of key management personnel of CTBS and its parent company Lumen can be found on Lumen's website at <a href="https://news.lumen.com/executive-bios.">https://news.lumen.com/executive-bios.</a> As noted in the biographies, applicant's operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise.

Applicant also possesses the requisite financial resources to provide local exchange and competitive intrastate telecommunications service in South Carolina. Given that Applicant does not maintain financial statements separate from the consolidated financial statements of its indirect parent company, Lumen, for purposes of this Application, Applicant will rely on the financial statements of Lumen to demonstrate Applicant's financial qualification to operate within the State of South Carolina. Information about Lumen's consolidated financial status, operations, management, and services is set forth in its most recent annual report, which is available at: <a href="https://s24.q4cdn.com/287068338/files/doc\_financials/2021/ar/Lumen-2020-Annual-Report-and-2021-Proxy-Statement.pdf">https://s24.q4cdn.com/287068338/files/doc\_financials/2021/ar/Lumen-2020-Annual-Report-and-2021-Proxy-Statement.pdf</a>

#### III. WAIVERS AND REGULATORY COMPLIANCE

Applicant requests that, pursuant to 10 S.C. Reg. 103-601(3), the Commission waive the following Commission Rules:

- 1. 10 S.C. Reg. 103-610: Applicant requests a waiver of the requirement in Rule 103-610 that all records required under the rules be kept within the State. Applicant maintains its records at its principal offices in its operational headquarters at 100 CenturyLink Drive, Monroe, LA 71203. As such, maintaining a separate set of books and records in South Carolina for Applicant's South Carolina operations would be unduly costly and burdensome. Applicant states that all such books and records shall be provided to the Commission Staff or the Office of Regulatory Staff ("ORS") in a timely manner upon request and will also make those books and records available to the Commission Staff or the ORS.
- 2. 10 S.C. Reg. 103-611: Applicant requests that it be exempt from any record-keeping rules or regulations that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation. Applicant will not be subject to rate base regulation and therefore should not be subject to USOA requirements. Applicant maintains its books in accordance with Generally Accepted Accounting Principles ("GAAP").
- 3. 10 S.C. Reg. 103-631: Applicant respectfully requests a waiver of the requirement in Rule 103-631 to publish and distribute local exchange directories. CTBS will make arrangements with the ILECs whereby the names of CTBS's customers will be included in the directories published by the ILECs. Directories will also be modified to include CTBS's customer service number. These directories will be distributed to CTBS's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both CTBS and the ILEC since they need only refer to one directory for a universal listing of customer information. It would be an unnecessary burden on CTBS to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will

be customers of the ILECs. It is more efficient for CTBS to simply include its limited customer list in the existing directories of the ILECs.

- 4. 103-612.2.3: Applicant's local exchange calling areas will initially mirror the service areas of the ILECs; therefore, Applicant hereby respectfully requests a waiver of the mapfiling requirement pursuant to 26 S.C. Code Ann. Regs. 103-612.2.3.
- 5. In addition to the above requested waivers, Applicant reserves the right to seek any regulatory waivers which may be required for Applicant to compete effectively in the South Carolina telecommunications market.
- 6. Flexible Regulation of Local Exchange Services: Applicant respectfully requests that its local service offerings be regulated in accordance with procedures outlined in Order No. 98-165 in Docket No. 97-467-C.
- 7. Alternative Regulation of Business Service Offerings. Applicant requests that all of its business service offerings be regulated pursuant to the procedures described and set out in Commission Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, as modified by Commission Order No. 2001-997 in Docket No. 2000-407-C. It is Applicant's intent by this request to have its business services regulated in the same manner as this Commission has permitted for AT&T Communications of the Southern States, Inc. ("AT&T"). Specifically, Applicant requests that the Commission:
  - a. remove the maximum rate tariff requirements for its business services, private line, and customer network-type offerings;
  - b. presume that the tariff filings for these uncapped services be valid upon filing. However, if the Commission institutes an investigation of a particular filing within seven (7) days, the tariff filing would be suspended until further order of the Commission; and

c. grant Applicant the same treatment as AT&T in connection with any future relaxation of the Commission's reporting requirements.

### IV. PUBLIC INTEREST CONSIDERATIONS

Grant of this Application will serve the public interest by increasing competition in the South Carolina telecommunications marketplace. Increasing competition helps drive lower costs and more diverse service offerings. These conditions create public interest benefits by incenting carriers to reduce costs and innovate to differentiate themselves in the market. Applicant's operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise. Applicant will provide customers high quality, cost effective telecommunications services.

The grant of this Application is consistent with S.C. Code Ann. Sec. 58-9-280(B), as amended by 1996 Act No. 354. Applicant makes the following representations:

- a. Applicant possesses the technical, managerial, and financial resources sufficient to provide the services described in this application;
- b. Applicant's local exchange services will meet the service standards required by the Commission;
- c. The provision of local exchange services by Applicant will not adversely impact the availability of affordable local exchange service;
- d. Applicant, to the extent required by this Commission, will participate in the support of universally available telephone service at affordable rates;
- e. The provision of local exchange service by Applicant will not adversely impact the public interest.

## V. CONCLUSION

For the reasons stated above, CenturyTel Broadband Services, LLC respectfully requests that the Commission grant it a Certificate of Public Convenience and Necessity to provide competitive local exchange and interexchange telecommunications services throughout the State of South Carolina as described in this Application, pursuant to the Company's tariffs.

Respectfully submitted,

Scott Elliott
Elliott & Elliott, PA
1508 Lady Street
Columbia, SC 29201
803-771-0555
selliott@elliottlaw.us

Counsel for CenturyTel Broadband Services, LLC

# **LIST OF EXHIBITS**

Exhibit A - Formation Documents

Exhibit B - Authority to Transact Business

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